




STATE OF IOWA

TERRY E. BRANSTAD, GOVERNOR
KIM REYNOLDS, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: August 2, 2012

TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds

FROM: David Roederer, Director 
Department of Management

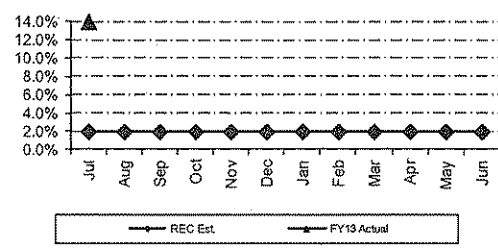
RE: July 2012 General Fund Receipts

Gross General Fund receipts for July 2012 totaled \$461.6 million, an increase of 14.0 percent over the same period last year. There was one more processing day in July 2012 compared to July 2011. June 30 is the due date for second quarter corporate estimate payments, which fell on a Sunday this year. Therefore, these payments were due July 2 for 2012, pushing some deposits from June to July this year. Second calendar quarter sales tax reconciliation payments, second quarter use tax and quarterly withholding tax payments are due this year on July 31, where last year they were due August 1 since July 31 fell on a weekend. Processing of these payments occurs during July and August. The current estimate for FY2012 is 2.0 percent.

Summary

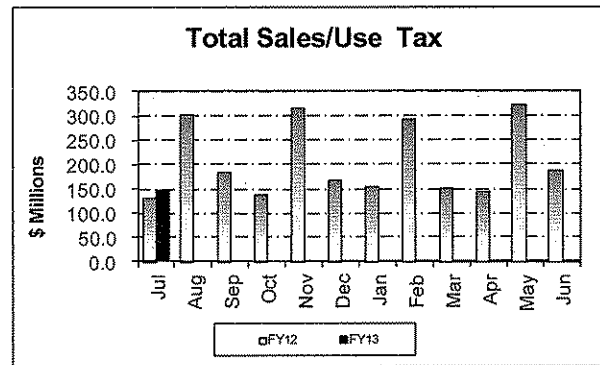
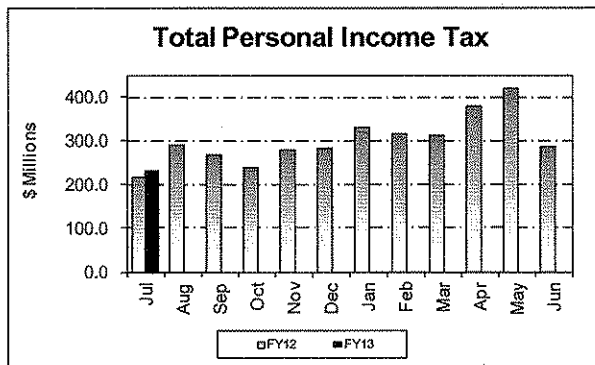
Fiscal year-to-date gross receipts are 14.0 percent higher compared to July 2011. Part of the increase is because of due dates for tax payments occurring on weekends, moving payments into July 2012 this year, when last year the payments would have been deposited in June or August. The current estimate for FY2013 is a growth rate of 2.0 percent for gross receipts.

FY 2012 Year-to-Date Growth by Month



Personal Income Tax

Personal income tax receipts totaled \$229.7 million during July 2012. This is \$12.9 million or 5.9 percent more than the receipts of July 2011. Withholding tax receipts increased \$7.7 million or 4.1 percent compared to last year, with all of the growth driven by an increase in Iowa Lottery withholding taxes and an increase in IPERS withholding when last year two IPERS withholding transfers were made in June and none in July, this year one was made in June and one made in July. Estimated payments increased \$6.1 million, or 25.8 percent compared to last year, with the increase influenced by the June 30 date falling on a weekend pushing revenues from June to July this year. Final return payments decreased \$0.9 million. The current estimate for personal income tax for Fiscal Year 2013 is for an increase of 4.2 percent.

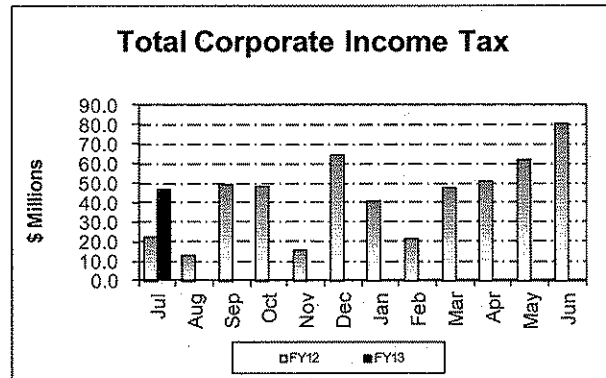


Sales/Use Tax

July sales/use tax receipts totaled \$145.8 million, which represents an increase of \$12.8 million or 9.6 percent over July 2011. Sales/Use tax was influenced by the July 31 due date for second quarter reconciliation payments for sales and use taxes. July 31 was on a weekend last year, pushing an estimated \$6.0 million of receipts into August. July 31 was on a Monday this year, so a majority of these funds were deposited into July this year. The current estimate for sales/use tax for Fiscal Year 2013 is for an increase of 1.3 percent.

Corporate Income Tax

Corporate income tax receipts during July totaled \$46.3 million, which is \$23.3 million or 101.3 percent more than in July 2011. The REC's estimate for corporate income tax for Fiscal Year 2013 is for a decrease of 1.8 percent.



Refunds

For the month of July, the Department of Revenue issued \$28.5 million in refunds on a cash basis. This compares to \$47.0 million issued July 2011.

FY 2012 Year-to-Date Net General Fund Receipts on an Accrual Basis

As can be seen from the chart below, year-to-date net General Fund receipts have increased 6.3 percent which is better than the REC's estimate of 2.6 percent. We will update this table monthly until the State's books are closed at the end of September 2012.

Net General Fund Receipts

Accrual Basis

Through July 31, 2012

	<u>FY11</u>	<u>FY12</u>	<u>Variance</u>	<u>Percent</u>	<u>REC Estimate</u>
Total Gross Receipts	6,551.6	6,891.1	339.5	5.2%	3.3%
Transfers	71.8	90.6	18.8	26.2%	-0.5%
Refunds	(801.3)	(798.4)	2.9	-0.4%	7.0%
School Infrastructure Transfer	(386.3)	(402.8)	(16.5)	4.3%	4.7%
Net General Fund Revenues	<u>5,435.8</u>	<u>5,780.5</u>	<u>344.7</u>	6.3%	2.6%

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE ONE MONTH ENDING JULY 31, 2012
(\$ MILLIONS)

CASH BASIS

	MONTH OF JULY		FY13 Over (Under) FY12		FY13 Annual Est Percent Of Growth
	FY12	FY13	Dollars	Percent	
Personal Income Tax	\$216.9	\$229.8	\$12.9	5.9%	4.2%
Sales/Use Tax	133.0	145.8	12.8	9.6%	1.3%
Corporate Income Tax	23.0	46.3	23.3	101.3%	-1.8%
Inheritance Tax	5.1	5.8	0.7	13.7%	2.8%
Insurance Premium Tax	1.0	0.9	(0.1)	-10.0%	1.0%
Cigarette Tax	0.0	0.0	0.0	0.0%	-9.3%
Tobacco Tax	2.5	2.5	0.0	0.0%	-1.2%
Beer Tax	1.4	1.7	0.3	21.4%	0.7%
Franchise Tax	4.2	4.2	0.0	0.0%	-2.7%
Miscellaneous Tax	0.0	0.0	0.0	0.0%	0.0%
Total Special Taxes	\$387.1	\$437.0	\$49.9	12.9%	2.4%
Institutional Payments	1.7	1.0	(0.7)	-41.2%	18.6%
Liquor Transfers:	2.5	8.3	5.8	232.0%	-1.2%
Interest	0.2	0.2	0.0	100.0%	20.0%
Fees	1.8	2.0	0.2	11.1%	-28.4%
Judicial Revenue	9.5	9.0	(0.5)	-5.3%	-1.6%
Miscellaneous Receipts	2.0	4.1	2.1	105.0%	-27.1%
Racing and Gaming	0.0	0.0	0.0	0.0%	0.0%
Total Gross Tax and Other Receipts	\$404.8	\$461.6	\$56.8	14.0%	2.0%
Transfers	\$20.3	\$17.9	(\$2.4)		
Total Gross Tax and Other Rcpts & Transfers	\$425.1	\$479.5	\$54.4		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$52.0)	(\$54.7)	(\$2.7)		
Refunds	(47.0)	(28.5)	18.5		
Total Reductions in GF Receipts	(\$99.0)	(\$83.2)	\$15.8		

Iowa Department of Management
August 2, 2011